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ORAL STATEMENT  
OF THE  
DCI  
SENATE FOREIGN RELATIONS COMMITTEE

February 7, 1958

I. Introductory Remarks

During the past few months the world has witnessed a spectacular demonstration of the great technical competence of the USSR, notably in the field of earth satellites and ballistic missiles. These developments did not come as a great surprise to us in the intelligence business, and it has not caused us to make any basic change in our estimates of Soviet capabilities. The USSR is a powerful state, and this has been true for several years. What is perhaps most important is that the USSR can, when it concentrates its resources on high priority activities, do just as well as we have done, and in some cases can even do better than we have done.

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if they put in more effort  
than we,

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In accordance with your request, I propose to discuss Soviet strengths and weaknesses as they have emerged from our studies of the USSR and its allies over the past several years. ✓

## II. Soviet Economic Power

The Soviet leaders view their economy primarily as an instrument for the creation of national power, rather than for increasing standards of living. Heavy industry, particularly military production, has first priority status.

Soviet national product, ~~in dollar terms~~, was about 40 per cent that of the United States for 1956. However, the two countries allocated their resources in sharply different ways. With a national product only two-fifths that of the United States, the dollar value of the Soviet defense effort <sup>as we compute it</sup> was about equal to that of the United States. This was primarily due to <sup>four</sup> ~~three~~ factors: (1) the USSR spent a far higher proportion of national product on defense than we did, (2) the average level of real pay and subsistence provided their military personnel was much lower than in our country, and (3) military procurement came from the most efficient sector of the Soviet

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economy, and (4) scientific and technical talent was concentrated in the defense industries.

The second major difference in resource allocation concerns investment. In absolute terms, Soviet investment outlays in 1956 were 55 to 60 percent of those of the United States, but investment, in productive facilities in mining, manufacturing, and electric power was between 85 and 90 percent of our own in these three areas.

On the other hand consumption, reflected in Soviet living standards, was only about 25 percent of that of the United States, and on a per capita basis was only about 20 percent of the US level. These low standards of living are a current weakness in the USSR, and this is recognized by the Soviet leaders. Within the past two years they have placed additional emphasis on agriculture and on housing, in an attempt to stimulate higher labor productivity, to generate more support for the regime among the Soviet people, and to remove the stigma of poverty from Communism in order to increase its attractiveness at home and abroad.

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Until recently, agriculture has been somewhat neglected by the Soviets. In 1954, the Bloc as a whole was a net importer of food. This shortage has been overcome primarily by the plowing up of 90 million acres in the eastern region of the Soviet Union. This is an area roughly double the wheat acreage in the United States. Khrushchev is such a believer in the so-called "new lands" area that he boasts he can surpass the US in the per capita output of milk this year, 1958, and in meat by 1960-61. These are ambitious goals, but the Soviets have made considerable progress toward achieving them even though this year they are behind schedule because of some crop failures so that 1957 showed some <sup>15</sup> 15 million tons of grain less than 1956 (115 - 100 million tons).

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A moderate reduction in the overriding priority heretofore given to heavy industry means that the Soviet economy will grow more slowly during the next five years than it has in the years since World War II. Even so, we estimate that the rate of economic growth in the USSR will be higher than that in the US and that Soviet gross national product in 1962 will be 45 per cent of the United States, compared to 40 per cent in 1956.

~~If our estimates of the Soviet military build-up are correct,~~  
*estimate*  
we ~~expect~~ that Soviet military expenditures will continue to rise, reaching a level one-quarter to one-third higher in 1962 than at present. Since Soviet national product will continue to rise at least as rapidly as defense expenditures probably at a rate of 6 per cent a year, the relative burden of defense outlays will become no heavier than ~~at~~ present, and may well be less. In 1955 dollar equivalents, ~~which we use to squeeze out the inflationary factor,~~ this ~~could~~ mean a Soviet defense effort of about 55 billions in 1962.

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### III. The Soviet Scientific Potential

The Soviet scientific effort is closely controlled by the state and it is directed toward the building of a strong industrial base and the development of modern weapons. The Soviet leaders have concentrated their manpower and their facilities on these two high-priority goals. The Soviet leaders appreciate the value of science as a stimulant to technological advance, and they have provided generous support to studies in both fundamental and applied science. A high proportion of the Soviet leaders themselves were trained in science. Half of the present government ministers have had their higher education in science or technology. ✓

The Soviet science program continues to be fed by the Soviet educational system, which is now outstripping that of the US in developing a scientific-technical manpower pool. I should like to stress a few points which I consider fundamental to an understanding of the impressive Soviet surge in many fields of science. Every Soviet student by the time he finishes high school has had to take

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five years of physics, five years of biology, four years of chemistry, and ten years of mathematics. These are not electives -- they are required subjects. After high school the better Soviet students enter higher educational institutions. Those with greatest aptitude are channeled into science courses, generally in some relation to the Soviet need for certain skills. An important point is that women make up a very large portion of the total enrollment in the scientific field. Even in engineering, which is almost entirely a field for males in the US, women account for 35 per cent of the Soviet total. ✓

By systematic efforts, going back 20 years or more, the Soviet Union has now a total of 1.5 million college graduates trained and currently employed in scientific and technical fields. In the US, there are now 1.3 million similarly trained and employed. In the year 1957, the Soviet Union added 140,000 graduates in science and engineering, compared to only 100,000 in the US. Since this trend cannot be quickly reversed, the US will be in an increasingly unfavorable <sup>numerical</sup> ~~technological~~ position vis-a-vis the Soviets for at least another five years.

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As in the United States, scientific research in the Soviet Union is mostly in applied sciences. However, the importance of adequate fundamental research in the Soviet Union is well understood, and such work has been well supported. For example, the Academies of Sciences of the USSR and of the Union Republics, which employ about one tenth of the country's scientists, including many of world prominence, concentrate on fundamental scientific problems. Specific fields in which the Soviets have extensive and high quality fundamental scientific programs include mathematics, theoretical physics, high energy physics, solid state and low temperature physics, and geophysics.

In summary, all the evidence suggests that the Soviets have realized the importance of science and research to their military and economic future. They have approached the field of technological development with the attitude that this is a race against the US which they are determined to win.

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IV. Soviet Military Posture

Since the end of World War II, Soviet military thinking has been significantly influenced by the fact that the USSR's chief potential enemy -- the US -- lies beyond the reach of its traditional military power. In developing its post-war military establishment, the USSR has been shifting to greater emphasis upon submarines, nuclear weapons, long-range bombers, guided missiles, and air defense.

When General Twining testified before this Committee on Monday, he reviewed current Soviet Bloc ground, air and naval strengths and Soviet capabilities to develop guided missiles of various types. His testimony on Soviet Bloc military strengths and capabilities reflects ~~in general~~ the knowledge and thinking of the intelligence community. I do not propose to cover the same ground with you. I would like to make the following points, however:

As an indication of the magnitude and vigor of the effort the Soviets pour into a high-priority research and development program, let me review briefly the progress of the Soviet guided missile program.

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The Soviet Union had no known guided missile program at the close of World War II. Immediately after the close of the war, they thoroughly and systematically exploited the German missile program with the result that by 1948 they had raised the level of their own guided missile knowledge to that which had been achieved by the Germans. We believe that 1948 marks the beginning of a concerted and continuing native Soviet missile program.

This native Soviet effort is of great scope. Vigorous postwar scientific training programs have contributed large numbers of well-qualified scientists and engineers. Two ballistic missile test ranges with multiple launching platforms and with facilities for a great variety of ballistic missile testing and other developmental work<sup>1</sup> have been established and are operating at a high pitch. In the shorter ranges, over 300 ballistic missiles have already been test-fired to distances varying from 75 to 950 nautical miles.

~~Very few flight-test delays or failures have been reported,~~  
~~indicating an extremely high over-all flight-test reliability.~~ Soviet  
ability to get a missile flight-test off on schedule has been clearly  
demonstrated. <sup>RECENTLY</sup> In June 1957, the Soviets fired their first missile to

a 950-mile range, and in the next two months seven flight tests were conducted to this distance. To date there have been five test-firings in their ICBM and earth satellite program. Our evidence, incidentally, clearly indicates that the Soviet earth satellite program is based upon the usage of reliable military missile hardware.

This extensive ballistic missile flight testing indicates an orderly, well conceived, and vigorously prosecuted program from which they have acquired a large amount of experience -- experience which has aided them tremendously and will continue to be vital to the success of their earth satellite and ICBM programs and, of course, to their military deployment of missile systems. The Soviet missile effort is largely concentrated on ballistic missiles, but other categories have not been neglected, as General Twining brought out.

The industrial base and industrial experience in the Soviet Union can support series production of the missile systems which the scientists and engineers develop. There is one exception to this picture of industrial strength as related to guided missiles, and that

lies in the field of electronics. We believe that, in view of competing demands, a limited availability of electronic equipment has restricted the mass production of some types of Soviet guided missiles, particularly in the mass-produced air defense missile categories. Expanding electronic production will probably make this restriction much less severe in the future.

The Soviet nuclear energy program is progressing to the point where suitable nuclear warheads will doubtless be developed for missiles as required, though the availability of fissionable material will impose some limitations on the extent of Soviet nuclear warhead production for some years to come. Production of warheads for ICBMs will not suffer, however, if sufficient priority is given to such warheads -- which we believe will be the case. ✓

With regard to the increasing Soviet postwar emphasis on weapon systems capable of threatening the continental US itself -- long range aircraft, missiles, and submarines -- I wish to emphasize that at the same time, the USSR has modernized and improved the forces available to it for military action on the periphery of the Bloc. ✓

I refer particularly to the USSR's 175-division army and to its tactical air forces of more than 8,000 aircraft, primarily jet fighters and light bombers. The disposition of these forces is such that they can readily be brought to bear in widely-separated areas of the Eurasian continent. The actual strengths of Soviet line divisions vary from somewhat in excess of 70 percent of war strength to as low as 30 per cent, with the forces in occupied areas and border regions of the USSR at the highest strength in men and equipment. At present, the USSR maintains in East Europe alone (East Germany, Poland, Hungary and Rumania) 32 army line divisions, more than 1,100 jet fighters, and about 250 jet light bombers. The purpose of these forces is, of course, not solely as a threat to Western Europe -- equally compelling reasons from the Soviet point of view are the maintenance of security in case of trouble in the satellites, as well as the use of satellite territory as a defense buffer, especially for air defense of the USSR itself.

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Finally, I wish to point out that the USSR has not hesitated to supply substantial amounts of military equipment to its East European Satellites and the Asiatic Communist nations. For example, of the 14,000 jet fighters which we estimate are now in operational Bloc units, about 4,000 are in the hands of non-Soviet forces. These aircraft are primarily older models supplied by the USSR, although Czechoslovakia and Poland have been manufacturing jet fighters under Soviet license for the past several years. Jet fighter production has recently begun in China, probably using at least some Soviet-manufactured components. Direct Soviet supply, local production from Soviet designs, and in some cases local assembly of Soviet-made components into finished military hardware, have resulted in a high degree of standardization of weapons and equipment throughout the Bloc. As far as we know, no nuclear weapons or guided missiles have been supplied to any of the Satellites or China.

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V. Internal Political Developments

The most serious problems which the Soviet Union has are in the general field of government. Ever since Stalin's death, the USSR has been bedeviled by two problems: (1) Who is to rule? and (2) How is the ruling to be done? While Stalin's successors agreed on fundamental objectives -- maintenance of Party dictatorship, a continued military build-up, and rapid economic growth -- they differed as to the policies best suited to pursue these aims in the conditions of the USSR today. These differences in turn complicated the problem of who was to rule, rendering the leadership unstable.

Now after four years of uneasy collective leadership, Khrushchev has emerged as dominant. He has disposed of his major rivals, and has asserted the dominance of the Communist party over the military and over the economic bureaucracy. On the other hand, he has not achieved the degree of power which Stalin achieved through his use of police terror. Khrushchev could still be thrown out if some of his <sup>major</sup> programs and policies met with failure. ✓

[New importance of Central Committee]

The present leadership has made some significant internal changes. It has reduced the use of terrorist methods; it has made changes in the economy to make better use of specialized knowledge, local talent, and individual initiative. It has reorganized industry and introduced incentives into agriculture.

These and other changes constitute significant modifications in Soviet society, and they have released forces which the Soviet leaders have found it difficult to control. Wider contacts with foreign countries have opened the USSR to disturbing influences. A group of writers has arisen who are spreading a climate of dissatisfaction and of impatience with the slow pace of reform. ~~There is a sit down strike~~ ✓ The Soviets have their own problem with youth; some are disagreeing with the regime on matters of principle; the lesser educated are merely rebelling and engaging in what the Soviets call "hooliganism." The Soviet leaders have tried to counter these forces of change by methods of persuasion, but with relatively little success.



There is not yet any reason to believe that the Soviet leaders will lose control over their people, at least over the next five years. In the longer run, however, it is far from certain that the Soviet citizen who has been educated to a higher level and encouraged to exercise initiative will continue to submit without question to the decisions of his leaders. It may turn out that the present somewhat less malevolent totalitarianism will not work, and will have to be replaced either by something much more liberal or by a full dictatorship of the Stalinist variety. ✓

#### VI. Relations within the ~~Soviet~~ Bloc

The Soviet leaders also have serious problems with the other Communist states. The present Soviet leaders felt that the <sup>induced</sup> defection of Yugoslavia in 1948 was a blunder, and they believed that better relations with the Eastern European countries would result if they gave a limited play to national sentiments and local peculiarities. This policy, however, led to unrest in the satellites which threatened Soviet control. The Polish revolt was relatively mild in its anti-Sovietism, and the Soviet leaders reluctantly accepted the Gomulka

regime. The Hungarian revolt got so far out of hand that the Soviet leaders ~~felt obliged~~ <sup>decided it was necessary</sup> to intervene in order to prevent the possible collapse of their entire position in Eastern Europe.

As a consequence of these developments, the Soviet leaders have moved to preserve the status quo and have sought to demonstrate that they intend to retain their predominant position in Eastern Europe. They are trying to avoid any more major changes. The peoples of Eastern Europe, with memories of Hungary still fresh, do not seem likely to take matters into their own hands very soon. However, the forces of unrest are still present. Popular dissatisfaction, party factionalism, intellectual dissent and chronic economic difficulties will continue to stimulate desires for reform and change. A period of political turbulence could again emerge, particularly if controls are relaxed, if economic crises develop, or if the governments should appear weak and uncertain. Poland and East Germany appear to have the greatest potential for renewed disturbances.

One thing the Soviet leaders have done to reduce discontent was to check their appetite for plundering the economies of the Eastern European states, and to extend economic assistance to them. During

1956 and 1957, especially since the Hungarian revolt, the USSR has committed itself, in credits and grants, to the extent of \$1.2 billion, and it has cancelled debts to the extent of \$1.5 billion. While development of heavy industry has continued to receive a high priority, there has been a somewhat greater emphasis on consumption.


*in Eastern Europe*

*- 1956*

The Eastern European states constitute a significant power complex in themselves. Their combined national product <sup>of</sup> (including Yugoslavia) is about \$65 billions, or about 40 per cent that of the USSR. Their plans for economic growth over the next five years are impressive, despite the somewhat reduced emphasis on heavy industry. ~~To the USSR,~~

*AS* <sup>could</sup> they constitute political, economic and military assets of considerable significance. <sup>to the USSR</sup> The unrest and instability which exists will continue to be a major concern of the Soviet leaders.

Poland's ability to maintain its semi-independence will be a key factor affecting future developments in Eastern Europe. We believe that Poland will <sup>probably</sup> be able to retain <sup>degree of</sup> the freedom it has won. In time, this development, together with Yugoslavia's continued independence, may encourage the other countries of Eastern Europe to seek greater autonomy.



The Soviet leaders must also be troubled by the rising power and influence of Communist China. The Chinese Communists have clearly sought to assert their right to a major voice in the affairs of the Bloc. They have claimed the right to make independent ideological pronouncements, and the Soviet leaders have had no alternative but to recognize this claim. Despite anxiety, and probably some subtle attempts to reduce Communist China's growing influence and assertiveness, the Soviet leaders are accepting Communist China's increased stature with outward grace ✓

Communist China, like the Eastern European countries, has made notable economic advances since the Communist take-over. With some Soviet help, industry has not only reached levels never before achieved in China, but also is producing many industrial items for the first time, including aircraft, naval vessels, and trucks. By the end of 1957 China was producing over 5 million tons of steel as against just over 1 million tons when the First Five-Year Plan began in 1952. The rate of increase achieved compares favorably with the high rates achieved by the USSR during its First Five-Year Plan (1928-1932). ✓

Advances in agriculture have been less notable and have consistently lagged behind Peiping's expectations. During the past five years, agricultural output grew at an average annual rate of only four per cent, as against 17 per cent for industry and six per cent for the gross national product. China's GNP during 1957 was roughly \$43 billion, as compared with \$24 billion for India and over \$400 billion for the US.

Communist China has drawn up a series of rather ambitious goals for the Second Five-Year Plan (1958-1962), and for the longer term. But there are great obstacles. Largest among these is the nation's immense and rapidly growing population. At the end of 1957, its population was roughly 640,000,000 and it is increasing by about 15,000,000 a year. These millions of additional mouths threaten to eat up Peiping's hard-won production increases. Ominously for Peiping, in 1957 the population grew at a faster pace than did the national output of foodgrains. This is a trend which Peiping must reverse, or it will find that it cannot generate the larger and larger amounts of investment capital needed to keep its economic programs alive.

Although points of friction between the leaders of Communist China and the USSR seem likely to arise during the next several years, these differences do not appear serious when compared with their basic points of agreement. In addition to ideological bonds, they have an interdependence, militarily and politically, which they both fully appreciate. ✓

## VII TRADE and AID Programs

One of the principal characteristics of current Soviet policy is its stress on <sup>The newly developing</sup> ~~underdeveloped~~ countries, in an effort to estrange them from the West and to lay the groundwork for growing Soviet influence. In the needs of the new ~~and under-~~ ~~developed~~ countries of Asia and Africa for help in industrialization, the Soviet leaders see opportunities for influencing these states by providing assistance and by encouraging them to use Communist techniques. One of the principal Bloc weapons, has been the so-called "trade and aid" campaign, offering both arms and technical and economic aid on liberal credit terms.

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By the end of 1957, the USSR and its allies had extended credits and grants of nearly \$1.9 billion to ~~underdeveloped~~ <sup>new</sup> countries. In addition, there are now several thousand Bloc technicians in ~~these countries~~ <sup>of</sup>. While the total of Communist aid, economic and military, does not approach ours, the Communist <sup>have</sup> ~~states~~ concentrated on certain countries where they feel they can make the greatest impact -- Egypt, Syria, Afghanistan, ~~Indonesia~~, India, <sup>Indonesia + Yugoslavia</sup> ~~Yugoslavia~~, Ceylon, Burma and Cambodia. In these countries <sup>including Communist China</sup> ~~Spain~~ over the past three fiscal years, the aid program of the Bloc,

~~totaling~~  
TOTALS SOME \$1.9 billion in credits + grants ✓



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including that of Communist China, has been greater than our own.  
*Several Thousand Soviet Technicians have also gone.*  
Since the end of 1957, aid offers to Yemen have been stepped up  
*some cases,*  
sharply. In ~~return~~, the Bloc has been willing to accept otherwise  
largely unsaleable raw material surpluses, an appealing feature  
of its program.

The Soviet program in India is an example of what the USSR can and will do when it is determined to use its economic aid program as a political weapon. This program began in 1954; it is a large program and the USSR has made every effort to see that deliveries are made on time and that the quality is first-rate. The most spectacular project is the construction of the Bhilai steel complex involving a Soviet credit of \$132 million. This plant will have a capacity of 1 million tons of ingots and 750 thousand tons of rolled products. The Soviet credit is to be repaid in twelve annual installments with interest at 2.5 per cent. Another \$126 million credit has been negotiated for the development of coalfields, power projects and machine building. It will be available next year. In total, Soviet bloc credits to India amount to about \$300 million. There are about 350 Soviet bloc technicians in India.

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We have also seen a sharp increase in Sino-Soviet trade with the underdeveloped areas, which has been moving forward at a rate of 25 per cent a year. This is to say that 1957 trade was about 50 per cent higher than 1955.

The Soviet leaders are probably pleased with what they regard as their success to date, and will almost certainly intensify their efforts in this field. This program is now administered at the highest level in the USSR, the State Committee for Economic Relations, which is directly under the Council of Ministers. The USSR has the economic resources for a considerable expansion in its trade and aid program, despite the increased magnitude of its commitments to the Eastern European countries. The speed at which the Soviet economy is growing will enable the USSR to increase its foreign aid commitments while still expanding its programs at home.

~~The Soviets almost certainly look upon~~ <sup>T</sup> the nationalist movements of Asia and Africa ~~as providing them~~ <sup>e. M. S. M.</sup> with a good opportunity for gaining influence. They have supported these movements diplomatically. They have extended economic aid to nationalist

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regimes. They have done this quite skillfully; much of the aid has been extended without strings attached, and they have tried to appear to these people as genuinely interested in their independence and growth.

One of the areas which will increasingly become an area of US-Soviet competition in the years ahead is Africa. This continent has enormous problems, and for this reason will be regarded by the Soviets as a fruitful field of endeavor. Africa is undergoing accelerated political, economic and social changes. The expansion of communications has suddenly brought to tens of millions of people a knowledge of the outside world. Population is growing rapidly; ~~in some cases the growth is phenomenal.~~ It is outstripping the growth of the economies in some cases; some countries need extensive outside aid merely to keep the poverty from growing worse. There is a widespread lack of capital and a shortage of administrative and technical skills. As these African countries gain self-government, they will become increasingly unstable; popular expectations for higher living standards will not be realized, and there will be disputes between rival ethnic, religious, tribal, and political groups.

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The USSR already is attempting to exploit Africa's problems.

It has attempted to expand diplomatic, commercial, and cultural

*So far -* *The* *we have not*  
 relations. Except for Egypt, ~~no~~ African country ~~has accepted~~

*been anxious to receive*

economic aid from the USSR, although the Soviets have made

numerous vague offers of assistance and generally expanded their

trade in Africa. They have also been trying to get native African

students to pursue their education in the Bloc countries ~~we believe~~

*believed to be*  
~~that at least~~ several hundred are now studying in the Communist

countries.

~~Despite the continued fighting in Algeria, the Communists up to~~  
~~the present have made *not much* little headway in North Africa. However, unless~~  
~~the Algerian rebels are soon able to gain some kind of acceptable con-~~  
~~ditions from France, a gradual radicalization of the revolutionary~~  
~~movement and a rise in Communist influence seems unavoidable.~~

~~The USSR also has its agents abroad and the local Communist~~  
~~parties around the world. Khrushchev's speech exposing Stalin's~~  
~~brutality and terror and the Hungarian revolt created some confusion~~  
~~in the world Communist movement and resulted in some defections~~  
~~from the party. However, these parties still do accept Moscow~~

# VIII. SUBVERSION AND PENETRATION

## A. Subversive Apparatus

### 1. Communist Party

### 2. Front Organizations

World Federation of Trade Unions (France, India, Japan, and Indonesia.)

### 3. Other front organizations

Women's International Democratic Federation (WIDF)  
World Federation of Democratic Youth (WFDY)  
International Union of Students (IUS)  
International Federation of Resistance Fighters of Victims and Prisoners of Fascism (FIR)  
International Association of Democratic Lawyers (IADL)  
World Federation of Scientific Workers (WFSW)  
International Organization of Journalists (IOJ)  
International Broadcasting Organization (OIR)  
World Peace Council (WPC)  
World Congress of Doctors (WCD)  
International Committee for the Promotion of Trade (ICPT)

### 4. Activities of Youth Congresses

Moscow Youth Festival of 1957

Afro-Asian Cairo Congress

### 5. Indications are that in 1958 the international Communist apparatus will concentrate on:

- a. developing and increasing the activities of the international Communist front organizations in Latin America, the Far East and especially in Africa (through the Afro-Asian Solidarity Committee), and
- b. on increasing the subversive potential of Communist parties largely through legal, parliamentary means and united front tactics.

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## VIII SUBVERSION AND PENETRATION (continued)

## B. Espionage - apparatus of KGB and GRU

OVER-ALL APPRAISAL

Despite their problems, and they have them, the Soviet leaders probably look upon their position in the world today as quite favorable. They are proud of their achievements. They probably think that they can cope with their problems in Eastern Europe.

Nevertheless, they still have a healthy respect for US power. They almost certainly still believe that we have a greater capacity than they have for waging nuclear war. They have a keen appreciation of the extraordinary destructiveness of nuclear weapons and they have no desire to bring down on their heads the full impact of US nuclear retaliation. ~~The intelligence community is in agreement~~

They have little "depth" in <sup>top</sup> leadership  
 + vast problems of organization, + a  
 who are  
 people ~~which~~ is awakening.

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*The Intelligence Community is in agreement*  
that the Soviet leaders would not deliberately initiate a war against the US, at least during the next five years -- unless they should make some unforeseen technological breakthrough. Even in such a case, they would want a virtual assurance of victory at a minimal cost to themselves before precipitating a conflict. This, it seems to me, they would be most unlikely to achieve in the foreseeable future.

The Soviet leaders probably believe that their economic and scientific achievements give them a somewhat greater freedom of action and maneuverability than in the past. In fact, they probably feel that, through their achievements in the military field, they have only just emerged from a period of great danger to themselves. Because they are stronger than they were, they probably feel that they are in better position to negotiate and at the same time to carry on an expansion of their influence through subversion, economic aid, *The 11th*, ~~diplomatic~~ support of nationalist movements, and ~~cultural and~~ ~~economic relations generally.~~

29.

*The Soviet is*

In other words, ~~they are~~ presently aiming at a so-called "peaceful" competition with the West rather than territorial expansion by forceful means or military adventures. In this "peaceful" competition, they will exploit weak points in the free world, and they will not hesitate to use all the economic and subversive means at their disposal. In this connection, it is interesting to note that Khrushchev himself said last November (1957), "We declare war upon the US in the peaceful field of trade . . . We are relentless in this, and it will prove the superiority of our system . . . We want to win over the US, not in arms, but in the production of commodities."

*From exploitation  
of civil aspect.*